GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

STARRED QUESTION NO:177
ANSWERED ON:03.08.2000
PRICES OF CRUDE OIL
RAJO SINGH;SADASHIVRAO DADOBA MANDLIK

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) the prices of crude oil in the international market during each of the last three years;

(a) the impact on domestic prices of petroleum products and oil pool deficit due to increase in the international prices of crude oil;

(b) whether the Government propose to follow policy of market price instead of subsidised price in regard to petroleum products; and

(c) if not, the reasons therefor?

Answer

MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK)

(a) to (d) : A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (d) OF THE LOK SABHA STARRED QUESTION NO. 177 3.8.2000 REGARDING PRICES OF CRUDE OIL

(a): The average published prices of crude oils viz. Brent and Dubai during the last three years are as under :-

Year	Dubai US dollar per barrel	(Rs./MT Brent US dollar per barrel	Rs./MT	Exchange Rate+
1997-98				
16.39		4404.18		
17.33		4843.33		37.12
1998-99				
11.83		3598.48		
12.05		3812.24		42.02
1999-2000				
20.54		6450.13		
21.77		7110.26		4338

+ Indian rupees per US Dollar.

(b): Currently prices of crude oil in international market are volatile and are subject to wide fluctuation. The oil prices trend in the international market has an impact on our import bill and the domestic prices

(c)& (d): Government has decided to dismantle Administered Pricing Mechanism in phases. Currently consumer prices of
(i) Motor Spirit (MS),
(ii) High Speed Diesel (HSD),
(iii) Superior Kerosene Oil (SKO) Public Distribution System (PDS),
(iv) Aviation Turbine Fuel (ATF), and
(v) Liquified Petroleum Gas (LPG)(Domestic) alone are administered. Prices of other petroleum products have since been

decontrolled.